

S E C R E T

OGC [83-01320]
18 February 1983

MEMORANDUM FOR: General Counsel

FROM: []
Associate General Counsel

SUBJECT: Klaus Barbie

REFERENCE: Memorandum for DCI from General Counsel,
Subject: Allegations of Complicity by
U.S. Intelligence in Post-World War II
Escape of Nazi Klaus Barbie, dated 16 Feb 83

1. Paragraph 2 of Reference indicates that Klaus Barbie was a source of an Army CIC unit that was actually an Office of Policy Coordination (OPC) unit. Since the Office of Policy Coordination became a part of the CIA in 1950 and the CIC unit apparently resettled Klaus Barbie in Bolivia in 1951 the impression is created that CIA was involved in resettling Klaus Barbie.

2. I met this morning with [] FPLG Litigation Officer, who now has the DO responsibility for records review concerning the Nazis of interest to OSI and with Allan A. Ryan, Jr., Director, Office of Special Investigation, Department of Justice. Ms. [] stated that her review of DO records does not reveal that any element of OPC used Army CIC cover. She states that a search of all available DO records does not reveal that Barbie was used operationally by OPC or CIA either in Europe or in Latin America (or for that matter anywhere else). Finally, she states that the records do not indicate that either OPC or the Agency had anything to do with the resettlement of Klaus Barbie in 1951.

3. In view of this DO information and because the Department of State, Office of Legal Advisor is apparently the source of the information that the Army CIC unit was actually an Office of Policy Coordination unit under CIC cover, I called Jeff Smith, Assistant Legal Advisor, Law Enforcement and Intelligence. Mr. Smith stated that there apparently had been a garble. State only said, or meant to say, that OPC was under State cover.

4. This information should be deemed to supplement the information which was sent to the DCI in reference memorandum.

[]

ALL PORTIONS
CLASSIFIED SECRET

CL BY []
DECL OADR
DERIVED FROM HUM 4-82

S E C R E T

SECRET

16 February 1983
OGC & J1316

MEMORANDUM FOR: Director of Central Intelligence

FROM: Stanley Sporkin
General Counsel

SUBJECT: Allegations of Complicity by U.S.
Intelligence in Post-World War II
Escape of Nazi Klaus Barbie

1. This memorandum is in response to your request for information and recommendations in preparation for your meeting this afternoon with the Assistant to the President for National Security Affairs. You should know that Allan Ryan, head of the Office of Special Investigations of the Department of Justice has just this morning advised me that his unit is looking into the matter of U.S. involvement with Barbie. Background information and several options for you to consider are set forth below. The options are: (a) maintain the status quo and issue no statement (recommended by the DDO), (b) treat Barbie matter solely as a French matter, (c) issue a statement supporting a Department of Justice investigation of the allegations, or (d) issue a statement appointing an outside board of inquiry headed by a prominent American to look into the matter. I recommend option (c), supporting the Justice Department investigation.

2. Facts. The DDO has advised me (see Tab A) that Agency records contain what appear to be Army reports which reflect that Klaus Barbie was a member of the German security service during World War II, principally in Lyon, France. He was described as being brutal and cruel, and reportedly shot his French agents when they were no longer useful. After the war the French communist press accused Barbie of being responsible for the death of 5,000 partisans. Following the war, Barbie was a witness in several trials involving war criminals and his wartime activities were investigated by the American authorities. The investigation was inconclusive and he was released. From 1946 to 1951, Barbie was a source of the Army Counterintelligence Corps (CIC) in West Germany and was considered to be a valuable source of information. In 1951, because of French and German efforts to apprehend him, Barbie was documented as Klaus Altmann and routed through Austria and Italy to Bolivia where he was resettled. The U.S. Army had no contact with him following his resettlement in Bolivia. The Department of State Office of Legal Adviser has informed us that the Army CIC unit was actually an Office of Policy Coordination (OPC) unit under CIC cover (Tab B). It should also be noted that this unit in Europe took its orders from Robert Bowie, Counsel to the Allied High Command in Germany who, some thirty years later was DDI at CIA. The Agency had nothing to do with Barbie's recent extradition from Bolivia to France (see Tab C). From its creation until 1950 OPC was funded through CIA but received its direction from the Secretaries of State and Defense. In 1950 OPC became a part of CIA.

CL BY Sigbee (All Portions)
DECL DADR

SECRET

3. Recent and Current U.S. Government Investigations Concerning Nazi War Criminals. Several U.S. government entities have inquired into allegations of postwar U.S. assistance to former Nazis.

a. General Accounting Office Investigation. In 1978 the United States Congress directed the General Accounting Office (GAO) to investigate allegations of a conspiracy to obstruct probes of alleged Nazi war criminals living within the United States. The CIA cooperated fully with this investigation, as is reflected in the final GAO report issued in 1978. In 1982, faced with renewed allegations, the House Judiciary Committee asked the GAO to reopen its investigation. The current GAO investigation has focused on allegations that agencies of the Federal Government aided the immigration of such criminals into this country and concealed their backgrounds once they were admitted. The GAO's mandate spans the entire Executive Branch. CIA has agreed to arrange interviews with persons the GAO believes possess relevant information.

b. Department of Justice/Office of Special Investigations. After release of the initial GAO report in 1978, the Office of Special Investigations (OSI) was formed in the Criminal Division of the Department of Justice. The Attorney General formed OSI to investigate individuals who, between 1933 and 1945, in association with the Nazi government in Germany, its allies and occupational authorities, allegedly participated in the persecution of persons because of race, religion, national origin or political opinion. The OSI has compiled a list of almost 600 such subjects of investigation. OSI has requested information on its subjects of investigation from all appropriate agencies. CIA and OSI have worked together to develop a system for the provision of information in CIA files. As stated above, OSI has initiated an investigation of U.S. complicity in the Barbie matter.

c. Congressional Investigations. Over the course of the last five years, both intelligence oversight committees of the Congress and the House Judiciary Committee have investigated various aspects of the U.S. Government denazification effort. At the present time, the SSCI is looking into this question as it relates to CIA use of Section 7 of the CIA Act (P.L. 110) to bring aliens into the U.S. In addition, an Associated Press report published in the 15 February 1983 Washington Post said that SSCI Vice Chairman Moynihan had indicated that the Committee had begun looking into allegations of links between Barbie and U.S. intelligence agencies. According to the Associated Press story, Moynihan had said that the Barbie matter was related to the Committee's interest in other allegations of possible ties between former Nazi

SECRET

officials and U.S. intelligence agencies. It is likely that Moyhihan was referring to allegations made by former Justice Department official John Loftus in his book "The Belarus Secret." Other congressional committees known to be interested in this subject include the House Judiciary Subcommittees on Crime and on Immigration, Refugees & International Law.

4. Justice Department Jurisdiction for Investigating Nazi Matters. The Office of Special Investigations of the Department of Justice (OSI) has broad investigatory powers. The Office has, as an official U.S. Government body, obtained information concerning alleged Nazi war criminals from the governments of the Soviet Union, West Germany and Israel as well as countless private citizens. Armed with this mass of information, the OSI's sole prosecutive function resides in its authority to denaturalize and deport alleged Nazi war criminals residing in the United States. The Office may, however, investigate allegations of U.S. complicity in Nazi immigration and refer its evidence to other offices within the Department of Justice. Pursuant to referral from OSI, or on their own authority, the Criminal Division and the Public Integrity Section of the Department of Justice may initiate and pursue investigations of persons who, by virtue of their assistance to alleged Nazi war criminals, may have violated U.S. law or the public trust. Thus, if as alleged in the Klaus Barbie matter, U.S. persons helped Barbie evade law enforcement authorities, the Department of Justice Criminal Division and Public Integrity Section would have jurisdiction to investigate and prosecute violations of U.S. law, if any. The United States is committed to the program of deportation and denaturalization of alleged Nazi war criminals residing the U.S. In support of this program of denazification, the Agency has provided massive amounts of information to OSI. The CIA has gone as far as possible to assist OSI consistent with the prohibition on CIA involvement in law enforcement activities. For example, four employees of the Directorate of Operations (with over 100 years of Agency experience among them) spent over six months researching allegations of CIA complicity in the immigration to the U.S. of Nazi war criminals. All relevant information has been turned over to law enforcement authorities.

5. Current NSC Press Guidance on Barbie Matter. The NSC issued guidance (Tab D) for agencies to use which states that (a) agencies have been asked to identify information relevant to the Barbie matter, (b) general policy is not to comment on intelligence matters, (c) the U.S. condemns any interference in bringing war criminals to justice, and (d) the U.S. has been attempting to identify Nazi war criminals and bring them to justice for years through the Office of Special Investigations of the Department of Justice.

OLONEI

6. Options to Consider. There are four options you may wish to consider: (a) maintain the status quo, (b) issue a statement noting and expressing support for the actions of France, but not responding to allegations of U.S. complicity in the Barbie postwar escape; (c) support an internal government investigation of allegations of complicity by U.S. intelligence, or (d) appoint an individual from outside government of impeccable standing to head a board of inquiry to examine the allegations of complicity of U.S. intelligence.

a. Status Quo. The Deputy Director for Operations supports this option. The press reports alleging complicity by American intelligence in the postwar escape of Klaus Barbie have not generated a public outcry of the sort demanding immediate action. Therefore, the U.S. Government may not want to respond to the allegations, which should be allowed to pass. For several years, however, the Department of Justice, the General Accounting Office, and several congressional committees have looked in the general questions of U.S. complicity with the escape into hiding of Nazi war criminals, and the Department of Justice is now specifically looking into the Klaus Barbie case. By maintaining the status quo, the Executive Branch may lose the opportunity to guide events and to seize the advantage by initiating an inquiry into the matter rather than having one forced upon it.

b. Defer to France. The U.S. Government could express its continuing general support for bringing Nazi war criminals to justice and could express its faith in the fairness of the French system of criminal justice in the Klaus Barbie case, without addressing the allegations of U.S. complicity with Barbie's postwar escape. The option has the advantage that the U.S. Government makes clear its continued belief that war criminals should be brought to justice, while distancing the United States from the Klaus Barbie matter by characterizing it as a French internal matter. The disadvantage of this option is that, again, the Executive Branch loses the initiative on the matter of allegations of U.S. complicity, and loses the advantage of acting positively to investigate the allegations rather than having an investigation forced upon it.

SECRET

c. Internal Investigation. The U.S. Government could issue a statement expressing support in general for bringing Nazi war criminals to justice, expressing concern at allegations of U.S. complicity in the Klaus Barbie case, and stating that the President supports the Department of Justice investigation into the matter. The advantage with this approach lies in the ability to assure the protection of classified information involved in the matter, since the investigation is wholly internal. The disadvantage of the option is that it may not lay the issue totally to rest, since some may argue that having an internal Executive Branch investigation provides an insufficient guarantee of impartiality, and of the appearance of impartiality.

d. Inquiry by Board Headed by Outsider of Recognized Standing. The U.S. Government could issue a statement expressing general support for bringing Nazi war criminals to justice, express concern over allegations of U.S. complicity in the escape of Klaus Barbie, and announce the appointment of an American of the highest repute to head a board of inquiry with full authority to inquire into the matter and report to the President. The advantage of this option is the credibility that the findings of such a board would have. Whether or not those findings ultimately affix moral or legal culpability on U.S. intelligence in the postwar period, the findings would definitively resolve the matter. A former Supreme Court justice, such as Arthur Goldberg or Potter Stewart, would be a good choice to head a board of inquiry. The disadvantage of this approach would be that it would assure a fairly high profile for the issue of U.S. complicity in the Klaus Barbie matter. I have prepared a DRAFT White House press release (Tab E) should you choose either option (c) or (d).

6. Bill:

As I told you on Sunday, while I believe the Administration must show sensitivity with respect to the Barbie incident and similar incidents, we should not appear to be making a deep commitment to justify what took place with respect to Barbie thirty years ago. If we make such a commitment, we will begin an endeavor from which it will be difficult to extricate ourselves and will create the appearance that somehow the current Administration bears some kind of responsibility for past events. The focus of our effort must be to make clear the distance of the questionable events in time. We must all recognize, too, that it was the documented policy of the United States to make pragmatic intelligence collection use of ex-Nazis after World War II, because we were retooling our capabilities to deal with the new enemy, the Soviet Union. Of course, if there are current aspects of the Nazi problem, such as the tracking down of war criminals and the sharing of intelligence

SECRET

information to catch such criminals, in which improvements are necessary, they should be made. It should be noted that we have been cooperative in these matters; indeed, without CIA assistance in the recent apprehension of Nazi war criminal Pagliai might never have occurred (Tab F).

Stanley Sporkin

Erratum: "Nazi war criminal Pagliai"
in the last sentence above
should read "Italian terrorist
Pagliai"

USA 16 Feb 1983

Distribution:

- 1 - DCI
- 1 - DDCI
- 1 - Ex Dir
- 1 - SA/DCI
- 1 - DDO
- 1 - GC Signer
- 1 - GWC Signer
- 1 - DSA Signer
- 1 - BAP Signer
- 1 - JAR Signer
- 1 - GWC Signer
- ✓ 1 - OGC (file) *stet*
- 1 - OGC Chrono
- 1 - LED File

1 - ER